

JUDGES' RETIREMENT SYSTEM

The Judges' Retirement System was established by the General Assembly in 1969. Future survivor, disability and retirement benefits will be provided to its current active membership of 287 participants. The Judicial System of Maryland is responsible for issuing findings of fact and conclusions of law in both criminal and civil matters. Membership includes judges of the District Court, Circuit Court, Court of Appeals and the Court of Special Appeals, as well as State Workers' Compensation Commissioners.

SCHEDULE OF RETIRED MEMBERS BY TYPE

as of June 30, 2003

Amount of Monthly Benefit	Number of Retirees	Type of Retirement						
		1	2	3	4	5	6	7
\$ 1 – 300	13,859	10,279	1,297	934	34	48	940	327
301 – 600	13,945	8,627	1,879	1,045	83	70	1,902	339
601 – 900	11,172	7,079	1,371	760	94	118	1,544	206
901 – 1,200	9,673	6,277	1,163	600	106	286	1,127	114
1,201 – 1,500	8,255	5,368	1,212	416	86	340	774	59
1,501 – 1,800	7,263	4,798	1,200	308	83	312	517	45
1,801 – 2,100	6,333	4,428	938	229	78	292	355	13
2,101 – 2,400	5,539	4,121	768	147	74	193	224	12
2,401 – 2,700	4,810	3,955	429	107	32	150	128	9
2,701 – 3,000	3,596	3,080	237	77	27	121	48	6
Over 3,000	6,358	5,425	286	217	48	309	65	8
	<u>90,803</u>	<u>63,437</u>	<u>10,780</u>	<u>4,840</u>	<u>745</u>	<u>2,239</u>	<u>7,624</u>	<u>1,138</u>

Type of Retirement:

- 1 – Normal retirement for age and service
- 2 – Early retirement
- 3 – Survivor payment – normal or early retirement
- 4 – Survivor payment – death in service
- 5 – Accidental disability retirement
- 6 – Ordinary disability retirement
- 7 – Survivor payment – disability retirement

SCHEDULE OF BENEFIT EXPENSE BY TYPE

(Expressed In Thousands)

Fiscal Year	Age & Service Benefits		Death In Service	Disability Benefits			Death After Retirement	Total
	Retirees	Survivors	Pre- Retirement Benefits	Retirees		Survivors	Post- Retirement Benefits	
				Accidental	Ordinary			
1994	\$ 668,488	\$37,924	\$7,084	\$18,458	\$ 42,378	\$ 3,904	\$ 7,669	\$ 785,905
1995	713,331	41,036	7,323	20,889	44,764	4,418	12,395	844,156
1996	758,148	44,670	6,863	23,812	48,578	4,885	10,765	897,721
1997	823,755	48,178	6,352	26,419	51,660	5,445	11,294	973,103
1998	887,541	51,908	6,756	28,465	55,661	5,866	11,577	1,047,774
1999	942,736	55,997	6,335	33,788	59,219	6,451	10,560	1,115,086
2000	974,585	62,158	7,372	25,801	96,168	14,073	10,797	1,190,954
2001	1,039,129	66,756	7,561	29,230	103,575	15,599	10,954	1,272,804
2002	1,116,884	72,211	7,908	32,642	113,107	16,836	12,738	1,372,326
2003	1,197,037	78,064	7,443	36,113	122,967	18,355	14,278	1,474,257

OF RETIREMENT AND OPTION SELECTED

#Option Selected							
Max.	Opt. 1	Opt. 2	Opt. 3	Opt. 4	Opt. 5	Opt. 6	Opt. 7
5,520	3,358	1,827	1,187	1,167	357	432	11
4,691	2,993	1,690	1,783	1,853	293	625	17
3,454	1,999	1,419	1,610	1,919	213	549	9
2,747	1,568	1,482	1,468	1,666	236	495	11
2,160	1,347	1,401	1,229	1,395	249	469	5
1,942	1,147	1,243	1,100	1,221	197	407	6
1,917	840	1,012	905	1,188	138	322	11
1,724	669	932	824	989	143	250	8
1,454	595	635	748	991	101	280	6
1,299	415	384	549	743	40	155	11
2,455	553	815	1,097	1,124	77	218	19
<u>29,363</u>	<u>15,484</u>	<u>12,840</u>	<u>12,500</u>	<u>14,256</u>	<u>2,044</u>	<u>4,202</u>	<u>114</u>

Option Selected:

- Max. – At member’s death, all payments cease. Surviving beneficiary(ies) will receive pro-rated payment for the number of days in the final month.
- Opt. 1 – Guarantees return of the present value of the retirement benefit less the total payments already paid to the member.
- Opt. 2 – Guarantees the same payment to the designated beneficiaries for their lifetime.
- Opt. 3 – Guarantees one half the member’s payment to the designated beneficiaries for their lifetime.
- Opt. 4 – Guarantees return of the member’s accumulated contributions and interest less the member’s accumulated reserves already paid.
- Opt. 5 – Guarantees the same payment to the designated beneficiaries for their lifetime, unless the beneficiaries predecease the respective members. Allowance then increases to the maximum.
- Opt. 6 – Guarantees one half the member’s payment to the designated beneficiaries for their lifetime, unless the beneficiaries predecease the respective members. Allowance then increases to the maximum.
- Opt. 7 – Special option calculation performed by actuary.

SUMMARY OF MEMBERSHIP

	Total	Teachers' Retirement	Teachers' Pension	*Employees' Retirement
From 7/1/98 to 6/30/99				
Active Members	174,674	13,043	75,578	12,657
Average Annual Salary	\$36,138	\$56,129	\$37,466	\$34,508
Retired Members	77,478	28,383	7,674	25,730
Average Annual Retirement Allowances	\$14,557	\$21,170	\$10,945	\$11,917
Vested Former Members	39,665	1,906	13,304	1,377
From 7/1/99 to 6/30/00				
Active Members	179,586	11,634	79,294	12,213
Average Annual Salary	\$37,452	\$57,761	\$38,564	\$36,360
Retired Members	80,773	29,061	9,084	25,489
Average Annual Retirement Allowances	\$14,998	\$22,050	\$11,376	\$12,394
Vested Former Members	42,514	1,857	14,860	1,401
From 7/1/00 to 6/30/01				
Active Members	184,600	10,396	82,901	11,962
Average Annual Salary	\$39,301	\$61,453	\$40,474	\$38,280
Retired Members	84,185	29,599	10,527	25,212
Average Annual Retirement Allowances	\$15,707	\$23,282	\$11,893	\$13,137
Vested Former Members	43,199	1,730	15,607	1,350
From 7/1/01 to 6/30/02				
Active Members	190,123	9,270	87,086	11,722
Average Annual Salary	\$41,383	\$65,175	\$42,704	\$40,135
Retired Members	87,367	29,989	11,931	24,904
Average Annual Retirement Allowances	\$15,945	\$23,510	\$12,788	\$13,285
Vested Former Members	44,355	1,643	16,397	1,331
From 7/1/02 to 6/30/03				
Active Members	190,021	8,199	89,099	11,347
Average Annual Salary	\$42,808	\$67,755	\$44,520	\$40,723
Retired Members	90,803	30,305	13,370	24,662
Average Annual Retirement Allowances	\$16,278	\$24,156	\$13,128	\$13,728
Vested Former Members	45,573	1,577	17,284	1,349

* Includes members of the Maryland General Assembly and correctional officers.

DATA BY PLAN

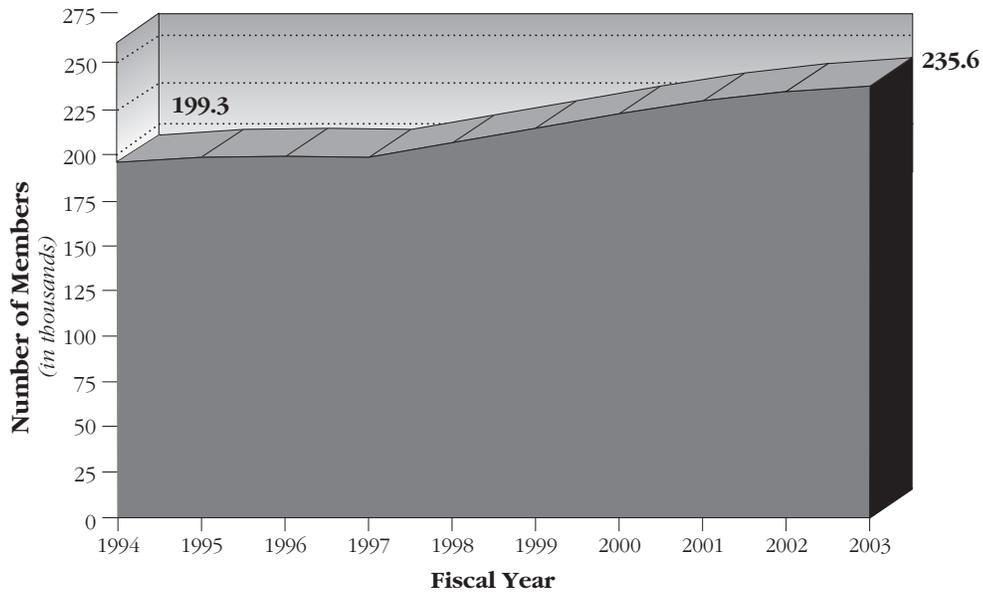
Employees' Pension	Judges' Retirement	State Police Retirement	Law Enforcement Officers' Pension	Local Fire and Police
70,426	283	1,647	862	178
\$30,910	\$104,512	\$45,903	\$42,268	\$36,685
13,937	284	1,286	170	14
\$5,685	\$51,292	\$30,026	\$21,702	\$19,422
22,988	13	29	30	18
73,212	283	1,636	1,130	184
\$32,579	\$106,524	\$48,526	\$44,515	\$37,705
15,241	285	1,388	206	19
\$5,929	\$52,360	\$29,701	\$21,670	\$19,795
24,305	13	22	36	20
76,024	281	1,578	1,318	140
\$34,554	\$108,735	\$50,306	\$45,856	\$40,007
16,702	297	1,518	309	21
\$6,278	\$55,046	\$31,695	\$22,790	\$20,170
24,396	13	24	49	30
78,584	281	1,589	1,410	181
\$36,728	\$113,253	\$52,323	\$46,749	\$39,715
18,205	311	1,598	403	26
\$6,894	\$55,377	\$32,334	\$24,028	\$19,341
24,845	10	27	66	36
77,939	287	1,542	1,481	127
\$38,004	\$115,571	\$52,424	\$46,907	\$36,895
19,929	306	1,695	503	33
\$7,284	\$56,112	\$33,444	\$24,804	\$18,924
25,212	13	41	62	35

TEN-YEAR HISTORY OF MEMBERSHIP BY PLAN

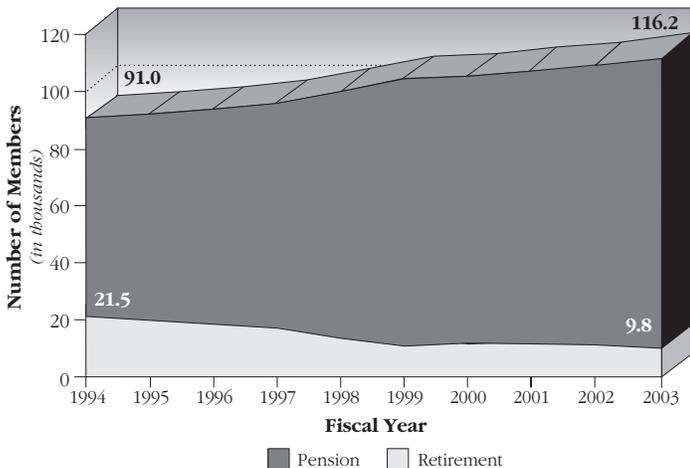
Fiscal Year	Total	Teachers'		Employees'		Judges'	State Police	Law Enforcement Officers'	Local Fire and Police
		Retirement	Pension	Retirement*	Pension	Retirement	Retirement	Pension	
1994	199,310	21,458	69,582	17,403	88,570	275	1,600	284	138
1995	201,058	20,223	71,941	16,842	89,742	273	1,592	307	138
1996	201,832	18,981	74,673	16,326	89,567	277	1,564	304	140
1997	202,568	17,681	78,659	14,912	88,918	282	1,610	328	178
1998	208,139	16,311	83,877	14,521	90,515	289	1,659	776	191
1999	214,339	14,949	88,882	14,034	93,414	296	1,676	892	196
2000	222,100	13,491	94,154	13,614	97,517	296	1,658	1,166	204
2001	227,799	12,126	98,508	13,312	100,420	294	1,602	1,367	170
2002	234,478	10,913	103,483	13,053	103,429	291	1,616	1,476	217
2003	235,594	9,776	106,383	12,696	103,151	300	1,583	1,543	162

Note: Includes vested former members. *Includes members of the Maryland General Assembly and correctional officers.

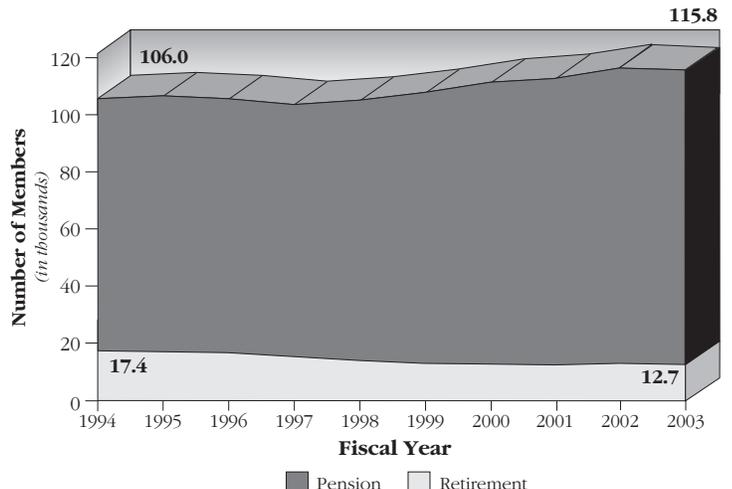
TOTAL SYSTEM MEMBERSHIP



MEMBERSHIP IN TEACHERS' PLANS



MEMBERSHIP IN EMPLOYEES' PLANS

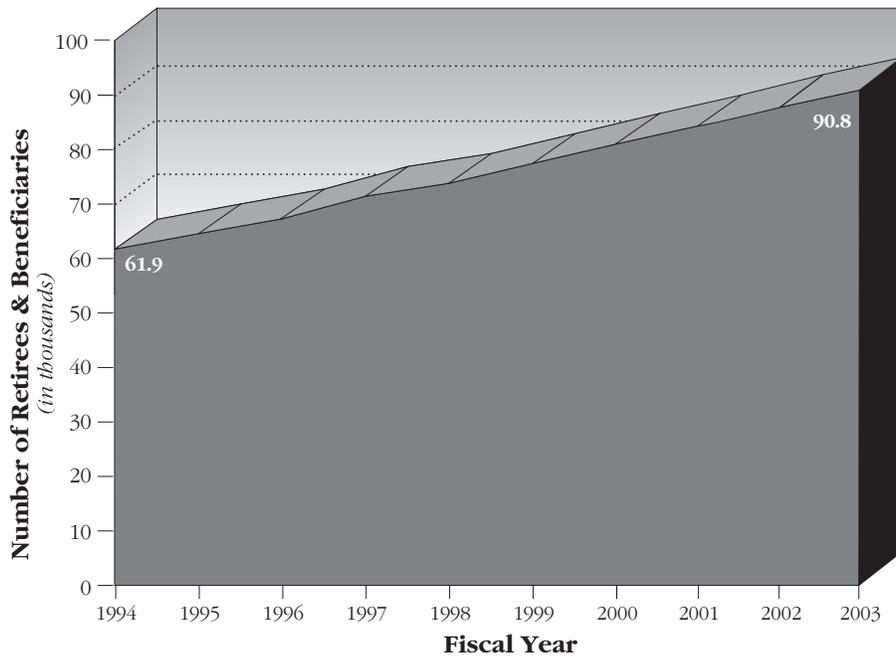


TEN-YEAR HISTORY OF RETIREES AND BENEFICIARIES BY PLAN

Fiscal Year	Total	Teachers'		Employees'		Judges'	State Police	Law Enforcement Officers'	Local Fire and Police
		Retirement	Pension	Retirement*	Pension	Retirement	Retirement	Pension	
1994	61,890	25,887	2,935	24,802	6,972	240	972	76	6
1995	64,594	26,379	3,686	24,994	8,143	251	1,046	87	8
1996	67,062	26,794	4,530	24,946	9,307	260	1,112	104	9
1997	71,488	27,330	5,481	25,882	11,221	273	1,175	117	9
1998	74,339	27,841	6,499	25,827	12,513	275	1,234	139	11
1999	77,478	28,383	7,674	25,730	13,937	284	1,286	170	14
2000	80,773	29,061	9,084	25,489	15,241	285	1,388	206	19
2001	84,185	29,599	10,527	25,212	16,702	297	1,518	309	21
2002	87,367	29,989	11,931	24,904	18,205	311	1,598	403	26
2003	90,803	30,305	13,370	24,662	19,929	306	1,695	503	33

* Includes members of the Maryland General Assembly and correctional officers.

TOTAL SYSTEM RETIREES AND BENEFICIARIES



**TEN-YEAR HISTORY OF CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30,
(Expressed in Millions)**

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Fund balance, beginning of year	\$16,505.4	\$16,061.1	\$18,467.3	\$20,755.7	\$24,542.8	\$28,061.2	\$29,985.6	\$33,110.7	\$29,564.7	\$26,668.5
Contributions	751.1	779.2	809.5	824.7	814.4	855.7	864.9	907.4	779.0	814.5
Net investment income	90.6	2,497.8	2,436.0	3,985.3	3,782.2	2,225.4	3,487.7	(3,138.8)	(2,265.3)	756.7
Benefit and expense payments	<u>(1,286.0)</u>	<u>(870.8)</u>	<u>(957.1)</u>	<u>(1,022.9)</u>	<u>(1,078.2)</u>	<u>(1,156.7)</u>	<u>(1,227.5)</u>	<u>(1,314.6)</u>	<u>(1,409.9)</u>	<u>(1,511.9)</u>
Fund balance, end of year	<u>\$16,061.1</u>	<u>\$18,467.3</u>	<u>\$20,755.7</u>	<u>\$24,542.8</u>	<u>\$28,061.2</u>	<u>\$29,985.6</u>	<u>\$33,110.7</u>	<u>\$29,564.7</u>	<u>\$26,668.5</u>	<u>\$26,727.8</u>

TEN-YEAR HISTORY OF EMPLOYER CONTRIBUTION RATES BY PLAN

Fiscal Year	State						Participating Governmental Units				
	Combined State Contribution Rate	Teachers' Combined Rate	Employees' Combined Rate	Judges' Retirement	State Police Retirement	Law Enforcement Officers' Pension	Combined Participating Governmental Unit Contribution Rate	Local Fire and Police	Law Enforcement Officers' Pension	Employees' Retirement	Employees' Pension
1994	13.40%	15.76%	8.70%	54.25%	25.74%	32.56%	7.64%	15.85%	N/A	11.97%	6.76%
1995	13.43	15.92	8.70	52.84	19.36	34.07	7.15	16.17	N/A	9.43	6.69
1996	13.61	16.22	8.61	52.51	19.13	35.68	7.96	16.31	N/A	11.58	7.35
1997	13.50	16.09	8.54	52.56	17.65	35.15	7.92	16.19	N/A	10.91	7.46
1998	12.90	15.48	8.21	52.49	13.08	26.27	7.04	16.29	N/A	11.96	6.96
1999	11.67	13.99	7.13	52.12	10.91	25.60	6.02	16.42	N/A	10.91	5.91
2000	10.70	12.54	7.15	48.18	1.26	22.96	3.83	14.99	N/A	8.70	3.70
2001	9.31	10.95	5.71	46.75	8.44	23.38	2.95	15.00	N/A	7.81	2.81
2002	7.98	9.35	4.73	42.66	5.83	32.41	1.94	14.85	31.83%	6.75	1.75
2003	8.70	9.35	4.73	43.92	5.78	36.10	1.95	14.78	29.59	6.95	1.95

TEN-YEAR HISTORY OF REVENUES BY SOURCE AND EXPENSES BY TYPE

(Expressed in Thousands)

REVENUES

Fiscal Year	Members' Contributions	Employers' and Other Contributions	Annual Covered Payroll	Employers' and Other Contributions as a Percent of Covered Payroll	Net Investment Income	Total Revenues
1994	\$ 93,626	\$657,429	\$5,246,249	12.53%	\$ 90,567	\$ 841,622
1995	89,835	689,342	5,532,150	12.46	2,497,840	3,277,017
1996	87,862	721,615	5,640,834	12.79	2,436,042	3,245,519
1997	84,444	740,258	5,657,385	13.08	3,985,260	4,809,962
1998	78,609	735,788	5,900,456	12.47	3,782,237	4,596,634
1999	162,342	693,353	6,312,417	10.98	2,225,398	3,081,093
2000	182,507	682,422	6,725,870	10.15	3,487,722	4,352,651
2001	189,769	717,576	7,255,036	8.74	(3,138,763)	(2,231,418)
2002	199,304	579,718	7,867,794	7.39	(2,265,315)	(1,486,293)
2003	207,584	606,900	8,134,419	7.46	756,747	1,571,231

EXPENSES

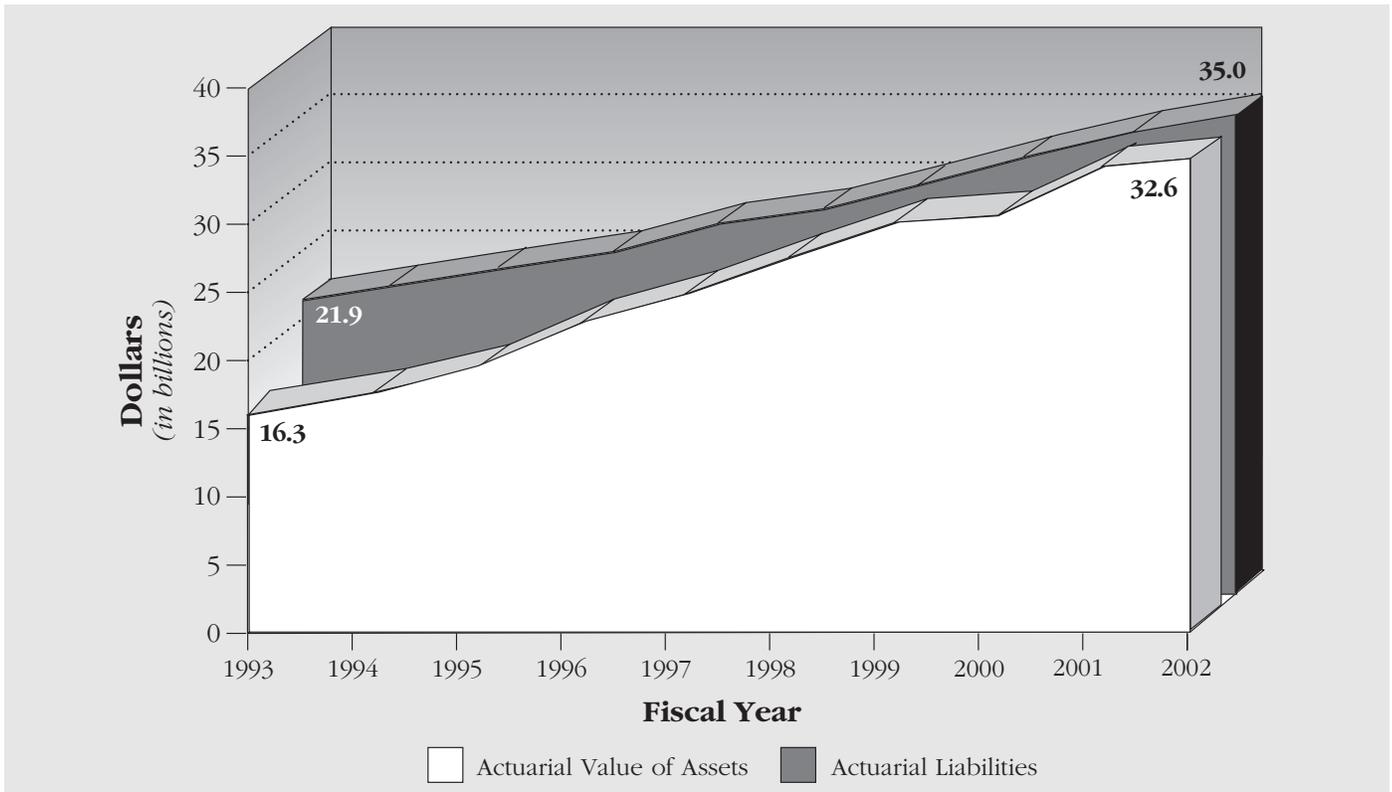
Fiscal Year	Benefits	Administrative Expenses	Refunds	Total
1994	\$ 785,905	\$ 8,687	\$491,361	\$1,285,953
1995	844,156	8,208	18,451	870,815
1996	897,721	8,568	50,871	957,160
1997	973,103	9,717	40,060	1,022,880
1998	1,047,774	10,441	20,007	1,078,222
1999	1,115,086	24,742	16,898	1,156,726
2000	1,190,954	19,751	16,805	1,227,510
2001	1,272,804	24,823	16,977	1,314,604
2002	1,372,325	20,064	17,476	1,409,865
2003	1,474,257	21,352	16,310	1,511,919

EMPLOYER CONTRIBUTIONS RECEIVED

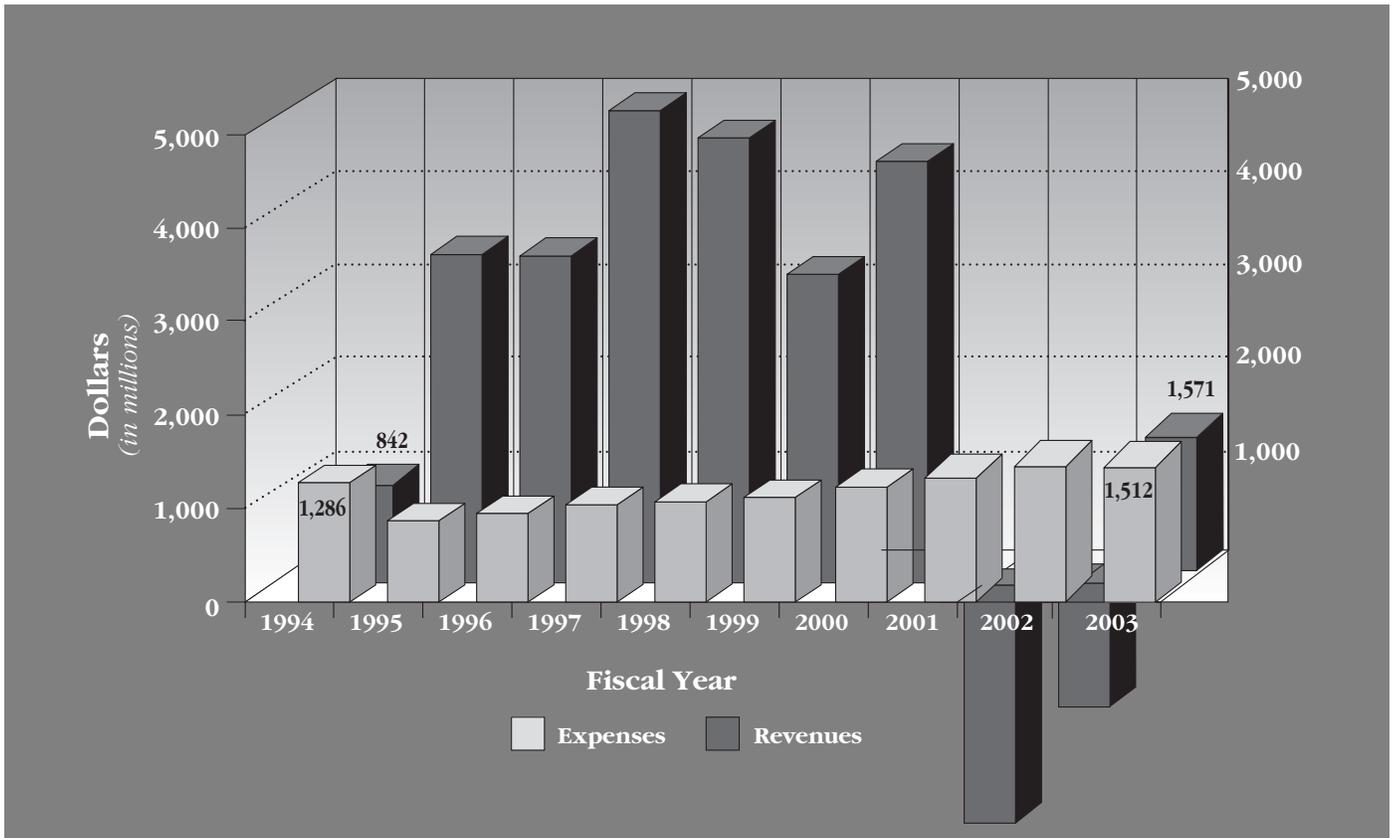
(Expressed in Thousands)

	Teachers' Retirement and Pension System	Employees' Retirement and Pension System	Judges' Retirement System	State Police Retirement System	Local Fire and Police System	Law Enforcement Officers' Pension System	Totals	
							2003	2002
EMPLOYER CONTRIBUTIONS:								
Normal (A)	\$ 336,319	\$273,846	\$12,511	\$28,108	\$ 620	\$16,338	\$667,742	\$664,813
Unfunded Actuarial Liability*	51,901	(106,605)	2,340	(23,258)	202	9,008	(66,412)	(83,442)
Total Employer Contributions	<u>\$ 388,220</u>	<u>\$167,241</u>	<u>\$14,851</u>	<u>\$ 4,850</u>	<u>\$ 822</u>	<u>\$25,346</u>	<u>\$601,330</u>	<u>\$581,371</u>
CONTRIBUTION RATES AS A PERCENTAGE OF PAYROLL:								
State:								
Normal	8.10%	6.15%	37.00%	33.50%	–	23.15%	7.96%	8.00%
Unfunded Actuarial Liability	1.25%	- 1.42%	6.92%	- 27.72%	–	12.95%	0.74%	- 0.02%
Total State	<u>9.35%</u>	<u>4.73%</u>	<u>43.92%</u>	<u>5.78%</u>	<u>N/A</u>	<u>36.10%</u>	<u>8.70%</u>	<u>7.98%</u>
Participating Governmental Units:								
Normal	–	5.15%	–	–	11.15%	20.25%	5.25%	5.24%
Unfunded Actuarial Liability	–	- 3.20%	–	–	3.63%	9.34%	- 3.10%	- 3.30%
Total Municipal	<u>N/A</u>	<u>1.95%</u>	<u>N/A</u>	<u>N/A</u>	<u>14.78%</u>	<u>29.59%</u>	<u>2.15%</u>	<u>1.94%</u>

TEN-YEAR HISTORY OF FUNDING PROGRESS



TEN-YEAR HISTORY OF REVENUE VS. EXPENSES



**Governmental Units Participating in the Systems
as of June 30, 2003**

Allegany Community College	Frederick County Board of Education	Oxford, Town of
Allegany County Board of Education	Fruitland, City of	Pocomoke City
Allegany County Commission	Garrett County Board of Education	Preston, Town of
Allegany County Housing Authority	Garrett County Commission	Prince Georges Community College
Allegany County Library	Garrett County Community Action Committee	Prince Georges County Board of Education
Allegany County Transit Authority	Garrett County Office for Children, Youth and Family	Prince Georges County Crossing Guards
Annapolis, City of	Garrett County Roads Board	Prince Georges County Government
Anne Arundel County Board of Education	Greenbelt, City of	Prince Georges County Memorial Library
Anne Arundel County Community College	Hagerstown, City of	Princess Anne, Town of
Anne Arundel County Economic Opportunity Commission	Hagerstown Junior College	Queen Anne's County Board of Education
Baltimore Metropolitan Council	Harford Community College	Queen Anne's County Commission
Berlin, Town of	Harford County Board of Education	Regional Educational Service Agency of Appalachian Maryland
Brunswick, Town of	Harford County Government	St. Mary's County Board of Education
Calvert County Board of Education	Harford County Library	St. Mary's County Commission
Cambridge, City of	Housing Authority of Cambridge	Salisbury, City of
Caroline County Board of Education	Howard Community College	Shore up!
Carroll County Board of Education	Howard County Board of Education	Snow Hill, Town of
Carroll County Public Library	Howard County Community Action Committee	Somerset County Board of Education
Carroll Soil Conservation District	Hurlock, Town of	Somerset County Commission
Catoctin & Frederick Soil Conservation District	Hyattsville, City of	Somerset County Sanitary District, Inc.
Cecil County Board of Education	Kent County Board of Education	Southern Maryland Tri-County Community Action Committee
Cecil County Commission	Kent County Commissioners	St. Michaels, Commissioners of
Cecil County Library	LaPlata, Town of	Takoma Park, City of
Charles County Community College	Lower Shore Private Industry Council	Talbot County Board of Education
Chesapeake Bay Commission	Manchester, Town of	Talbot County Council
Chestertown, Town of	Maryland Health & Higher Education Facilities Authority	Tri-County Council of Western Maryland
Cheverly, Town of	Middletown, Town of	Upper Marlboro, Town of
Cresaptown Civic Improvement Association	Montgomery College	Walkersville, Town of
Crisfield, City of	Mount Airy, Town of	Washington County Board of Education
Crisfield Housing Authority	Mount Rainier, City of	Washington County Board of License Commission
Cumberland, City of	New Carrollton, City of	Washington County Library
Cumberland, City of – Police Department	North Beach, Town of	Westminister, City of
Denton, Town of	Northeast Maryland Waste Disposal Authority	Worcester County Board of Education
Dorchester County Board of Education	Oakland, Town of	Worcester County Commission
Dorchester County Commission		Worcester County Liquor Board
Dorchester County Roads Board		Wor-Wic Tech Community College
Eastern Shore Regional Library		

Withdrawn Governmental Units

Anne Arundel County Government	Howard County Government	Washington County Commission
Bethesda Fire Department	Interstate Commission on the Potomac River Basin	Washington County License Commissioners
Calvert County Commission	Lexington Market Authority	Washington County Roads Board
Caroline County Roads Board	Maryland Environmental Services	Washington County Sanitary District
Carroll County Government	Maryland National Capital Park & Planning Commission	Washington Suburban Sanitary Commission
Chevy Chase Fire Department	Montgomery County Board of Education	Wicomico County Department of Recreation and Parks
Elkton, Town of	Montgomery County Government	Wicomico County Roads Board
Frederick County Government	Montgomery County Public Library	
Harford County Liquor Board	Rockville, City of	
Health Systems Agency of Western Maryland	St. Mary's Nursing Home	
Howard County Economic Development Authority	University of Maryland Medical System	